Dear Jim, Newsweek;Nixon's tax-deductions as fraud 3/11/74

The 5 a.m. CBS net news this a.m. makes me wonder if I did some good three weeks and two days ago when I saw John Lindsay of Newsweek and gave him proof positive that Nixon's tax returns not only were fraudulent but that this had to be the intent. Or, that there was no possibility of accidental error and that the fraudulent intent was beyond question.

I had approached Mel Elfin months earlier, with an unusual proposal: the work I had done in return for foundation support for the work I would yet do and the rights to it,too, on my representation that the work already done was of a nature that, if anything could, it could be the factor that tipped the impeachment factor.

I believe I carboned you on a memo on this meeting with Elfin, on a busy day for him. I know I forgot the name of the investigative reporter he said would be in touch with me that night for you sent me the masthead with Nicholas Horrock's name marked. I had remembered the name "Nicholas" only.

Months passed and there was no work, so 2/16, when I had to go to DC for a conference with Fensterwald and Lesar on the Ray case, as usual I went early to get a full day in. I had just heard from Plissner at CBS news in response to a letter to Schorr, so I went to Lesar's early. We took a phone call from Jerry Ray, who had phoned me here, the beginning of his backing down under the pressure I had been applying, then went to see Plissner at his apartment, and then went to Newsweek in the blind, as I now recall, having planned that and having enough time before the meeting at Bud's office. Because it was a Saturday Lindsay was just covering and had plenty of time.

No, it was not in the blind. I remember now. Lindsay had been given a note on this because Horrock was out of town, far away, I think California.

(I can't consult notes because I almost cut lft thumb off again yesterday when the machete slipped when I was trimming out some brush. Same place as before, larger cut but not nearly as deep. Poor Lil, whose nerves are shot anyway. She could hardly open the first-aid kit for a compress for me. But I did go to the hospital after applying the compress and wrapping it to hold the blood and it is o.k. In fact, after I got back I gathered up two carts of the wood I had trimmed out and heated us until bedtime with it. But while the cut does not pain, touching anything with that thumb does, so I don't want to go into jammed files.)

Lindsay phoned when he got down that far in the stack on his desk, and it was in return to his call that I went to his office, I think without a date because I remember calling his home when he did not answer at the office and learning that he had left home for the office.

In that meeting and in a series of long calls following it I kept giving Lindsay information and leads for more information that could lead to an evaluation of what I had, what I said, of the work I had done and of the possibilities of carrying it further. In fact, I remember being explicit after a point, saying this was my intent, and his response, that he realized it.

One of the things I used this way, and I'm pretty sure it was at the first meeting, was Nixon's taxes, especially the Archives stuff. I used the JFK stuff as factual basis and as a means of comparison. I even gave him the name and phone at the Archives to get the applicable law and regulations, and described both to him, offering him as an alternative getting them from my files.

I remember his asking me if I had taken this to Mills and my response, that I had only so much time and that in my experience, after many efforts, the Congress was chicken on Nixon and was more likely to react to public pressure, from exposure. He seemed to think that Mills would do something. Well, he knew all he had to know to get Mills to do this something. I gave him a detailed explanation of the prerequisites not met and of the need for meeting them, without which there had to be fraud. I remember tracing this from the law and precedent even to Hugh Scott's man in charge at GSA. I explained the need for the finding of national interest, not made; for the agreement to the conditions, not made; and even for the provision of the "deed" that Nixon could 1) withhold everything and 2) after taking the deduction still take the entire file back. I remember clearly enough going into the Morgan story, which had then been reported, that he wondered if he had had the

authority to sign the papers for Nixon. I gave Lindsay the comparison with Burke Marshall and the JFK stuff, where Marshall's was the only signature except the GSA administrator's, and I remember offering Lindsay a copy of that contract in the form of a letter agreement. So, there was precedent for a lawyer signing and unless there had been the impossible, that Morgan, a lawyer, signed without any authorization to do this on Nixon's behalf, there was no question about his being an acceptable signature.

The item I heard on the 5 a.m. news was brief. But it says that Mills is charging fraud and one of the three names of those involved is Morgan's.

Reception is bad this morning. The Westinghouse station does not sign on until 6 a.m., which it isn't yet, WCBS, NYC, is fading badly, and WBBM, Chicago, has been running taped fillers. Even dated ones. Right now I'm listening to what I saw on the Friday evening net TV news! (Predicted shortage of tomato seeds for home gardens.)

What an irony it would be if I did put Newsweek onto this and Lindsay did take it up with Mills. Mills and his committee and his staff should have known what I told Newsweek but they had done nothing, had been silent. I had tried with Weicher, who had made the right noises about the "deed" but had gotten no response. Not even when I wrote after going over the "deed" that his office had sent me after my request for it.

I think you get Newsweek. I don't see it. If you see anything that bears on the possibility that this follows my discussions with Lindsay, who then may have spoken to Mills as he had suggested I do, I'd be interested, of course.

It has been kind of frustrating, spending most of an hour switching from Chicago to New York, and not being able to make out the few interesting items from fading New York. Twice hearing about the FBI agent complaining about being fired over some Pat Gray thing, probably Watergate connected and not being able to hear enough to make the story out, switching to Chicago and hearing loud and clear a female complaint about Continiental Airlines' ad, "We move our tails for you." No objection to the complaint, but an hour of this kind of stuff and calling it "news?"

Philadelphia has signed on and I'll monitor it, adding anything that it reports.

More on that part of the Lindsay discussions comes back, what I said and his reaction. I remember describing the two things that turned me on to Nixon and money long before the Sundance piece and telling him that while there may be doubt about crookedness in the deals on the Homer Cummings property, which I knew well, there was none about the first thing I had on file on San Clemente crookedness, the Secret Service putting in and paying for a new heating system.

I gave him details on why I could not take time to take this to Congress and of all the futile efforts I had made with the media, chapter and long verse. And his response, how hard it was for a concerned reporter to live with inability to report honestly and fully and complaints about the stories done and not used.

I see no possibility of doubt, I gave Newsweek a hot exclusive and the means of complete authentication in time for it to have been used easlity two issues ago. I offered what I had, which includes the Kennedy precedent and the Nixon "deed" and the GSA files on it. I told him the applicable law, offered my copy and the official interpretations of it I had from Archives and how Archives interpreted it in OA 2569-70 in an effort to use it against me. All he had to do to get the complete story and all pertinent to it was make a <u>single</u> phone call and I gave him the number and the name. When no story appeared after this the one question that does not exist is Newsweek's intent.

Ah, the blessings of a truly free press!